

# Project Management Office

## Prospectus and Proposal Format

2009 CDBG Planning Grant



**VIRGINIA DEPARTMENT OF HOUSING  
AND COMMUNITY DEVELOPMENT**  
*Partners for Better Communities*

501 North Second Street • Richmond, Virginia 23219



# 2009 CDBG PLANNING GRANT PROSPECTUS AND PROPOSAL FORMAT

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# INTRODUCTION

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The Virginia Community Development Block Grant (CDBG) Program provides funding to eligible units of local government to address critical community development needs, including housing, infrastructure, and economic development. This Program has been administered by the Virginia Department of Housing and Community Development (DHCD) since 1982. CDBG funds are made available to DHCD by the U.S. Department of Housing and Urban Development (HUD).

## ***CDBG National Objectives***

Community Development Block Grant funding was established by the *Housing and Community Development Act of 1974*. In accordance with Section 104(b)(3) of the Act, the use of CDBG funding must:

1. ***Give maximum feasible priority to activities which will benefit low- and moderate-income families,***
2. ***Aid in the prevention or elimination of slums and blight, and***
3. ***May also include activities which are designed to meet other community development needs having a particular urgency because existing conditions pose a serious and immediate threat to the community.***

The Virginia CDBG Program makes funding available to units of local government for planning and implementing community development projects in non-entitlement localities, which are those not receiving CDBG assistance directly from the HUD. Each project and each activity within a project which will utilize CDBG funding

must meet a national objective. Projects may contain activities which meet different national objectives.

DHCD reserves the right to reclassify both activities and projects in terms of national objective as is appropriate. Projects which do not meet at least one of the three national objectives will not be considered for funding. Any activity within a project not shown to meet at least one of the three national objectives will not be considered for funding.

The three CDBG National Objectives are further defined as follows:

## **Activities benefiting low- and moderate-income persons**

Individuals or households whose household income is equal to or less than the Section 8 lower income limit established by the U.S. Department of Housing and Urban Development are determined to be low- and moderate-income. The Section 8 income limits are published annually by HUD. The income limit represents 80 percent of the area median income (AMI) for like-sized households or 80 percent of the median income of the entire non-metropolitan area of the State, whichever is higher. No project will receive funding which benefits moderate-income persons (80 percent AMI) to the exclusion of low-income persons (50 percent AMI or less).

Activities benefiting low- and moderate-income (LMI) persons must meet one of the following tests:

- Benefits are available to all of the residents in a particular area, wherein at least 51 percent of the residents are LMI;
- At least 51 percent of the benefits are provided to LMI persons;
  - Benefits will be provided to a clientele presumed to be principally LMI persons; or,
  - If jobs are created or retained in a project, at least 51 percent of the permanent, full time jobs (including permanent, full time equivalent jobs) will be held by or made available to LMI persons.
- In the case of a project providing relevant, direct outcome-based services, the following classes of people are considered LMI:
  - abused children
  - battered spouses
  - elderly persons
  - severely disabled persons (persons meeting the Bureau of Census' definition)
  - homeless persons
  - migrant farm workers
  - persons with AIDS
  - illiterate adults

### **Activities which aid in the prevention or elimination of slums or blight**

An activity will be considered to address prevention or elimination of slums and blight in an area if:

- The delineated area meets a definition of a slum, blighted, or deteriorated or deteriorating area and is formally designated a slum or blighted area in accordance with State law. In Virginia, this definition and procedure for

designation is available in Title 36, Article 7 of the *Code of Virginia*; and,

- Throughout the area, there is a substantial number of deteriorated or deteriorating buildings or the public improvements are in a general state of deterioration; and,
- The activity addresses one or more of the conditions which contributed to the deterioration.

### **Activities designed to meet community needs having a particular urgency**

An activity will be considered to address this objective if the following conditions are met:

- The activity is designed to alleviate existing conditions which pose a serious and immediate threat to the health or welfare of the community; and,
- The conditions are of recent origin or recently became urgent. Recent is defined as within the preceding 18-months; and,
- The locality is unable to finance the project on its own and no other funding is available to address the problem; and,
- There exists a current declaration of emergency by the Governor of Virginia or a declaration of a severe health threat by the State Health Commissioner.

# PLANNING GRANT OVERVIEW AND POLICIES

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Virginia's CDBG Planning Grant program is designed to aid in developing clearly articulated strategies for addressing communities' greatest community development needs following meaningful citizen participation.

Planning Grant funding totaling \$500,000 is available on an open basis from January 1, 2009 until September 30, 2009 or until all of the funding is committed, whichever comes first. It is expected that localities will seek Planning Grant assistance to address their highest community development needs unless alternative arrangements are already in place to address these needs.

A locality interested in obtaining Planning Grant assistance must submit a Letter of Interest (LOI) in accordance with format developed by DHCD. In general, this LOI will include a brief description of the project area and the community development needs in this area, a discussion of the locality's and project area's readiness and capacity to proceed with a participatory planning process, and some justification for why Planning Grant funding is needed. DHCD will review this LOI and provide the applicant locality with a written response which outlines activities which must be accomplished prior to Planning Grant investment and/or which invites the locality to submit a brief Planning Grant proposal in accordance with the Planning Grant Proposal Format. Planning Grant funding is awarded following DHCD review of Planning Grant proposals.

Although there is no requirement for local match, Planning Grants may or may not cover the full cost of all planning activities

for future projects. Localities should expect to contribute resources to the planning process in order to develop a successful project.

Applicants must be under contract by December 1. If the applicant is not under contract, they may still work on completing the project, but staff will not be obligated to conduct the Facilitated Planning Strategy and work toward having the locality under contract prior to the Competitive Grant application deadline.

The Planning Grant LOI and Proposal Format and all other documentation related to proposal development under the CDBG program **MUST** be used in conjunction with the 2009 CDBG Program Design.

Questions regarding the request of Planning Grant funds should be directed to:

**Chris Thompson, Program Manager**  
Chris.Thompson@dhcd.virginia.gov  
804-371-7056

- or -

**Keith Sherrill, Policy Analyst**  
Keith.Sherrill@dhcd.virginia.gov  
(804) 371-7055

**Virginia Department of Housing and  
Community Development  
Project Management Office  
501 North Second Street  
Richmond, Virginia 23219  
Fax 804-371-7093  
TDD 804-371-7084  
www.dhcd.virginia.gov**

# PLANNING GRANT CATEGORIES

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There are six categories of CDBG Planning Grants. The first two categories are considered Pre-Project type Planning Grants:

- Community Organizing Planning Grants;
- Community Needs Assessment / Economic Assessment Planning Grants.

The remaining four categories are Project Planning Grants which, generally, are geared toward the development of a future application for CDBG funds:

- CDBG Project Planning Grants;
- Business District Revitalization Planning Grants;
- Regional Project Planning Grants; and
- Telecommunications Planning Grants.

Applicants submitting a LOI do not necessarily need to address their request to a specific category of Planning Grant. In the response to the LOI, DHCD will identify the most appropriate category for the request.

## ***Pre-Project Planning Grants***

These projects are intended to be earlier planning stages and typically would not be tied to preparation of a CDBG proposal.

## **Community Organizing Planning Grants**

Community Organizing Planning Grants of up to \$10,000 are available for activation and organization of community residents to develop strategies for future social and physical improvements. Eligible activities include:

- Conducting assessments of community strengths, weaknesses, opportunities, and threats,
- Establishing goals and objectives, and
- Developing work plans and implementation strategies.

Citizen participation is a central purpose of these Planning Grants and should result in an organized, informed community which has reached consensus on a practical vision of the future and has the capacity and options available for future community improvement. A specific area to be addressed is the prioritization of the locality's highest community development needs which should be determined after gathering input from citizens and other stakeholders. In addition to ranking these needs, the options available to address these needs should be evaluated.

Be aware, localities submitting project proposals must first develop a methodology to prioritize the localities' highest community development needs. All competitive CDBG proposals are expected include activities that address items that are among the locality's highest identified community development needs.

In addition to the needs, the capacity of the locality to undertake project planning efforts should be evaluated in a community organizing planning grant. This evaluation should consider the following areas:

- Leadership,
- Technical skills,
- Available staff time,
- Management and fiscal systems,
- Professional Services needed,



- Partnerships needed, and
- Additional funds and other resources needed for project planning and future implementation.

While the capacity of a locality may be developed through partnerships with other entities, Community Organizing Planning Grants are not intended to build capacity for nonprofit organizations or other entities. Capacity development activities generally must clearly be directed at the local government.

The sole product of the Community Organizing grant is a summary of planning efforts undertaken and results of this planning. All Community Organizing Planning Grant recipients are must submit complete Project Planning Grant proposals following completion of organizing activities unless otherwise negotiated with DHCD. A Community Improvement Grant proposal is not required following a Community Organizing Planning Grant.

Of the \$500,000 available for Planning Grants, no more than \$60,000 will be targeted for Community Organizing Planning Grants. This amount is only a maximum, not a reservation of funds.

### **Community Needs Assessment/Economic Assessment Planning Grants**

Community or Economic Assessment Planning Grants of up to \$15,000 are available for a locality to conduct a single objective needs analysis or to prioritize community or economic conditions for future direction. The expected products of these Planning Grants will prioritize areas for future, eligible CDBG project proposals.

This category is directed at a single objective needs analysis and is not intended

to provide general overall needs analysis. Planning Grants under this category should address one of the applicants' previously identified highest community development needs. Applicants requesting assistance in prioritizing their overall community development needs should first consider a request for Community Organizing Planning Grant assistance. One example of an appropriate needs assessment Planning Grant is a locality-wide assessment of housing conditions used to prioritize the selection of future project areas.

A Community Improvement Grant proposal is not required following all Needs / Economic Assessment Planning Grant; however, it is expected that the assessment will lead to at least one Project Planning Grant.

DHCD may, at its discretion, invite a Pre-Project Planning Grant recipient to expand the scope of the study and complete project planning activities for a clear priority project.

### ***Project Planning Grants***

Eligible activities of project planning grants include:

- Community assessments, needs analyses, and need prioritization,
- Activation and organization of target area residents and stakeholders,
- Surveys of residents, users, customers, and potential beneficiaries,
- Obtaining easements and user agreements,
- Development of cost estimates and Preliminary Engineering Reports (PERs), and
- Completion of market studies.

Project planning grants are intended to provide resources and technical assistance to an overall planning effort and to develop strategies for an appropriate request for CDBG investment in a project. Generally, CDBG planning grant assistance will not be awarded to solely fund PER's or other engineering or design costs unless it is part of a broader project development effort.

### **CDBG Project Planning Grants**

CDBG Project Planning Grants of up to \$25,000 are available for needs analysis and prioritization, preliminary design, and strategy development activities in preparation for a future Community Improvement Grant proposal. DHCD reserves the option of awarding additional Planning Grant funding in excess of this limit for projects which are particularly innovative, challenging, or costly.

All Project Planning Grant activities must be conducted with maximum participation of residents, potential beneficiaries, stakeholders, and local leaders. One method of this is by completing the requirements for citizen participation for a CDBG project proposal. Citizen participation for project proposals, but not Planning Grants, must be carried out in accordance with the Virginia Community Development Block Grant Citizen Participation Plan for Local Government Applicants (included in **APPENDIX B**).

Planning Grant activities should be oriented towards the development of products which directly relate to a future Community Improvement Grant project. These products should detail community development problems and present realistic solutions for treatment of these problems. All Project Planning Grant recipients must submit complete Community Improvement Grant proposals following completion of all

planning activities unless otherwise negotiated with DHCD.

### **Business District Revitalization Project Planning Grants**

Business district revitalization (BDR) Planning Grants are intended to assist appropriate localities in undertaking activities that are designed to identify opportunities to improve the economic and physical conditions within the community. BDR planning requires greater local capacity and resources than other project planning grants, so localities will be required to identify how the various responsibilities will be handled and additional resources that can be contributed to the effort. Localities that are very small or have limited capacity may be inappropriate to pursue BDR planning assistance until significant steps have been taken to address capacity limitations within the community.

A key outcome of the BDR planning process will be the development of an ***Economic Restructuring Plan*** that will identify the means by which the locality can implement economic improvement strategies that will help ensure the long-term sustainability of the community, particularly the downtown business district.

Applicants must demonstrate that business district revitalization is the highest community development need. Applicants must explain why this is their highest need and provide detail on other community development efforts that have been completed. Applicants must also provide an analysis of housing and other community needs, and identify how these needs have been addressed and how any remaining unmet needs will be handled.

DHCD has developed some very specific guidance to help direct the planning process for BDR planning grants. Because thorough preparation for BDR construction projects is necessary to ensure the desired community outcome of improved overall economic vitality, DHCD utilizes a phased approach for this project type. It often takes a number of years of appropriate planning and development efforts for these projects to be successful and the process is designed to recognize and accommodate this. A locality is required to become a Main Street affiliate if not already one.

DHCD will provide guidance to applicants as they progress through planning process. Applicants may only advance through the phases with approval of DHCD. Planning activities may be unique to each project, and funding amounts will be determined on a project by project basis. Examples of activities that will be undertaken include:

- Holding an initial community meeting and management team meetings,
- Conducting a facilitated visioning session,
- Collecting physical environment, business operation, and business assistance data,
- Identifying a small-scale capital improvement project that will be completed with local resources,
- Learning about the Virginia Main Street approach,
- Conducting downtown user surveys,
- Determining the type of economic restructuring needed, and
- Procuring necessary Economic Restructuring / Marketing services.

**Specific guidance on completing a downtown market analysis is available in the Center for Community and Economic Development's Downtown Market Analysis page online at:**

<http://www.uwex.edu/ces/cced/downto wns/dma/8.cfm>

Following the successful completion of these activities and the development of an accepted Economic Restructuring Plan, applicants may pursue additional activities which include design assistance (facades, streetscaping, infrastructure, and so forth) activities. Funding related to physical design will be the last approved activity, based on satisfactory completion of all other Planning Grant activities.

Up to a maximum of \$35,000 will be available for each Business District Revitalization Planning Grant. However, in order to be eligible for the full planning grant amount, ***applicants must have a population greater than 750 persons within a one-mile radius of the project area. Applicants that do not meet this population threshold may qualify for not more than \$25,000 in planning grant funds.***

Exceptions to this threshold may be considered, if the Business District serves a unique function or where improvements to the region's economic environment increases the opportunities for revitalization.

### **Regional Project Planning Grants**

Project Planning Grants of up to \$40,000 are available for a **regional effort** of more than one locality for needs analysis and strategy development activities in preparation for a future Community Improvement Grant (construction) proposal. Eligible activities include:

- Community assessments, needs analyses, and need prioritization,

- Activation and organization of target area residents and stakeholders,
- Surveys of residents, users, customers, and potential beneficiaries,
- Obtaining easements and user agreements,
- Development of cost estimates and Preliminary Engineering Reports (PERs), and
- Completion of market studies.

Regional projects that demonstrate a clear and significant economic impact are eligible for up to \$50,000 in planning grant funds. These projects will require a 20 percent local match. Applicants interested in pursuing this Planning Grant must discuss the potential project with DHCD *prior* to the submission of a request for assistance.

### **Telecommunications Planning Grants**

Telecommunication planning grants are available for future system development and support or implementation efforts. Funds may be utilized to:

- Assist in promoting awareness of potential CDBG eligible activities and gauging stakeholder interest,
- Creating a management team of potential user groups to oversee the creation of a Telecommunications Plan,
- Conduct surveying efforts to document the eligibility of future telecommunication planning and implementation efforts for CDBG funding,
- Conduct informational and training programs, and
- Identify and procure professional assistance as necessary.

In order to access CDBG funds for telecommunication implementation, a locality must have completed a community-

based telecommunications plan. Up to \$25,000 per project is available for Telecommunications Planning Grants; however, previous experience has indicated a significant investment of additional resources will be needed to complete all telecommunications planning activities.

### **Proposal Assessment and Evaluation**

Planning Grant investment decisions will be based on the following:

#### **Is there a clear indication of community development needs?**

Proposals must demonstrate some local knowledge of the scope and scale of the community development needs in the proposed project area. Certainly, the Planning Grant investment is provided to fully assess the scope and scale of such needs, but there has to be some evidence that funding will be properly applied in a particular area because there is some good knowledge that needs exist. There must be evidence that the needs are known among potential beneficiaries and local officials.

#### **Are there potential benefits?**

The needs identified must generally be eligible targets for future CDBG investments. One test of eligibility is whether the need can be addressed under at least one of the three CDBG national objectives, particularly benefit to LMI persons. Another test is whether the need can be addressed through a CDBG funding option, including Competitive Grants, the Community Development Innovation Fund, and the Community Economic Development Fund. There must also be evidence of participation by potential beneficiaries to the

extent that needs and demand can be fully assessed.

### **Is there adequate local readiness?**

There must be evidence that local officials and stakeholders alike are committed to fully identifying and addressing local needs. A management team must exist which is comprised of stakeholders and local officials. This team must agree to meet regularly to actively address issues that arise during the planning process. The locality must show a willingness to remove any barriers to addressing the identified needs, particularly those which are controlled locally. The locality must also commit financial resources to fill gaps not covered by Planning Grant assistance.

### **Is there adequate local capacity?**

There must be evidence that the locality and management team have the time, funding, and expertise to follow through with the planning process. If local expertise is lacking, the locality must procure professional assistance. If funding is lacking, the locality must identify other sources of funding. Time cannot be lacking.

### **Is there a need for Planning Grant funding?**

For localities which have participated extensively in the CDBG program, Planning Grant assistance should be targeted for projects which are innovative and/or unlike anything the locality has undertaken before or for components of typical projects which the locality cannot undertake with its own resources. For localities which have not participated extensively in the CDBG program, Planning Grant assistance can be targeted to a range of costs associated with

obtaining community input and contracting for professional assistance. It is the locality's responsibility to adequately state its case for Planning Grant funding in its proposal.

### ***Payment for Performance***

All Planning Grant projects will have a common action which is a Facilitated Planning Strategy session. This session shall include all key local stakeholders and appropriate staff from DHCD and other relevant organizations. This session will result in the establishment of planning performance targets and decision points which will provide the basis for DHCD's issuance of a Planning Grant contract.

Contracts for Planning Grants will stipulate the criteria, date, and grant amount for successive performance targets. Successful completion of targets will trigger the release of grant funding and the obligation of additional funding for activities related to future performance targets. A negotiated amount of funding may be provided to localities for initiation of planning activities, but this amount will be an element of, not an addition to, the total amount of Planning Grant funding committed to a project. For most Planning Grants, the total amount committed to any one project will be negotiated with the locality and will depend upon the level of need and community capacity and readiness. The total amount will not exceed the amounts listed in this Program Design or negotiated with DHCD.

### ***Technical Assistance***

Localities interested in Planning Grant assistance can contact DHCD at any time to discuss a particular project or find out more about the Planning Grant offering.

### ***Contract Limit***

Applicants must be under contract by December 1. If the applicant is not under contract by December 1, they may still work on completing the project, but staff will not be obligated to conduct the Facilitated Planning Strategy and work towards having the locality under contract prior to the Competitive Grant application deadline.

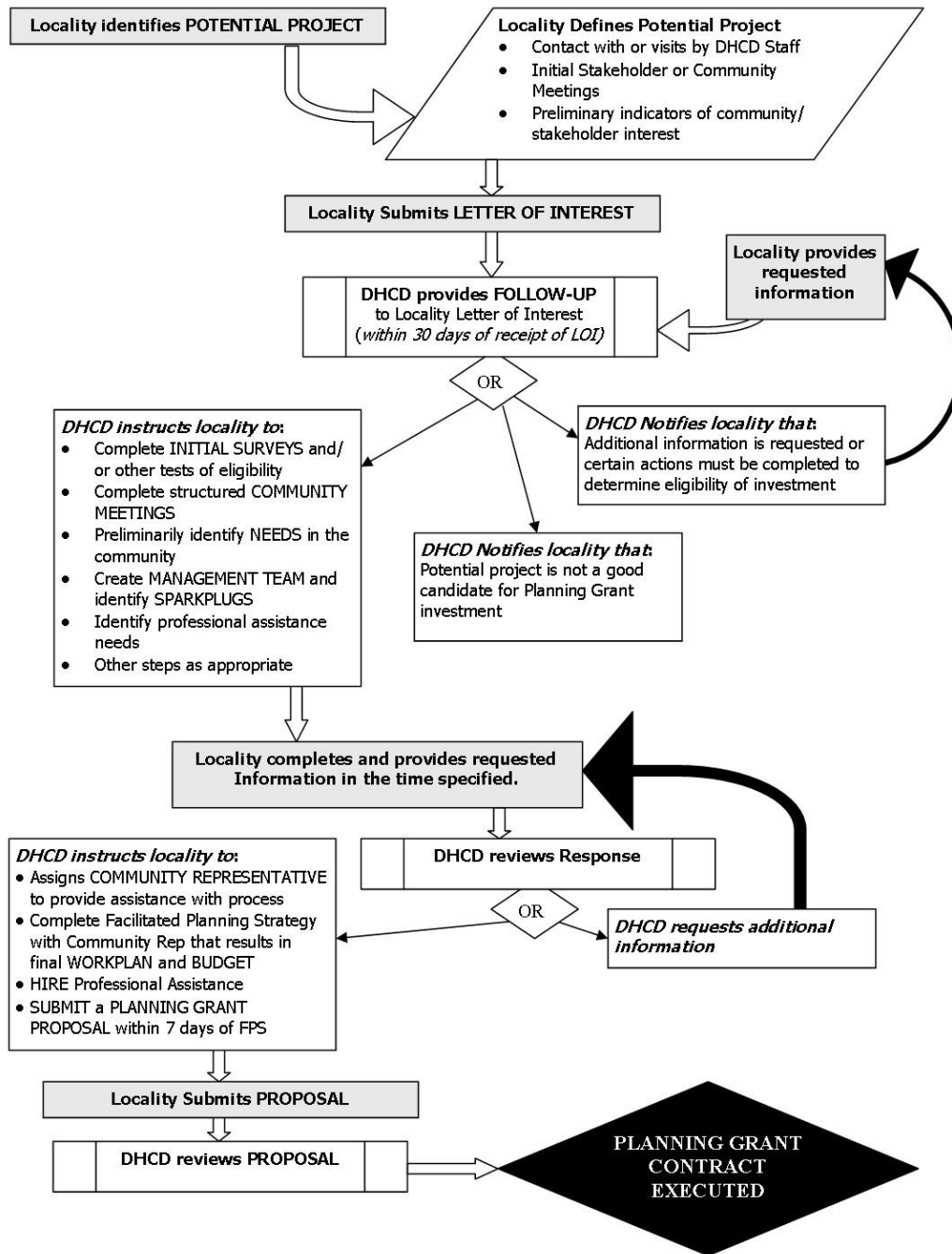
### ***Prioritization***

Localities submitting proposals should first develop a methodology to prioritize the localities' highest community development needs. It is expected that all competitive CDBG proposals submitted will include activities that address items that are among the locality's highest identified community development needs.

## Planning Grants At-A-Glance

| <b>Pre-Project:</b>                               |   |   |
|---|---|---|
| <b>Community Organizing</b>                       | <ul style="list-style-type: none"> <li>• Up to \$10,000 available</li> <li>• For activation and organization of community residents to develop general strategies for future improvements</li> <li>• Determines highest priority needs and capacity to address</li> </ul>   | Construction Proposal Not Required – Project Planning Grant expected                    |
| <b>Community / Economic Needs Assessment</b>      | <ul style="list-style-type: none"> <li>• Up to \$15,000 available</li> <li>• For single-objective assessment, analysis and prioritization</li> </ul>  | Construction Proposal Not Required – Future proposal(s) expected                        |
| <b>Project:</b>                                   |   |   |
| <b>CDBG Proposal Planning Grants</b>              | <ul style="list-style-type: none"> <li>• Up to \$25,000 available</li> <li>• Activities range from needs assessments, to surveys and user agreements to development of cost estimates and PERs</li> </ul>   | Construction Grant Proposal Expected  |
| <b>Business District Revitalization</b>           | <ul style="list-style-type: none"> <li>• Phased planning process</li> <li>• Activities include creating inventory of properties in the BDR area, intercept and business surveys, and determining availability of business assistance providers, community visioning, learning about the Virginia Main Street approach, and identifying opportunities for economic restructuring.</li> <li>• Applicants must develop an accepted Economic Restructuring Plan</li> <li>• Final phase may include design assistance activities.</li> <li>• Awards range from \$3,000 up to \$35,000; smaller grants for applicants not meeting defined thresholds</li> </ul> | Construction Grant Proposal Expected in Future / Not Required as Part of Planning Grant |
| <b>Regional Planning Grants</b>                   | <ul style="list-style-type: none"> <li>• Up to \$40,000 available for multi-locality project planning</li> <li>• Up to \$50,000 for multi-locality projects that will have a significant economic impact; local match required</li> <li>• Activity range same as single-locality project planning but must involve all localities participating.</li> </ul>   | Construction Grant Proposal Not Required – Generally Expected in Future                 |
| <b>Telecommunications Project Planning Grants</b> | <ul style="list-style-type: none"> <li>• Up to \$25,000 available</li> <li>• Activities that may lead to future CDBG eligible system development and support and / or implementation activities</li> </ul>  | Construction Proposal Not Required  |

## Planning Grant Process Flowchart





# PROSPECTUS / LETTER OF INTEREST

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## ***Letter of Interest Format***

Localities interested in Planning Grant assistance must submit a Letter of Interest (LOI) on locality letterhead and should not exceed three pages in length (not including attachments). Letters must be signed by the County Administrator, City Manager, or Town Manager. If a locality lacks a Manager or Administrator, the Board Chairman or Mayor must sign. DHCD will respond in writing within 30 calendar days and will generally authorize up to \$3,000 in pre-proposal expenses. LOI's should be addressed to:

***Denise Ambrose, Associate Director  
Project Management Office  
Department of Housing and Community  
Development  
501 North Second Street  
Richmond, Virginia 23219***

LOI must provide responses to the items listed below:

## **Needs and Opportunities**

**Describe the needs and opportunities that the locality intends to address with CDBG Planning Grant funding.** How does the locality know about this need? Include as much detail as is currently known (prior to examining this need further using Planning Grant funding).

Is there a lack of or gap in the availability of one or more basic community attributes or services found in comparable communities? Does the missing attribute or service directly affect low- and moderate-income persons? Does the missing attribute relate to blighting conditions? Is there a certain condition in place that if addressed, will provide an

opportunity for growth, revitalization, or economic restructuring?

## **Timeliness**

**Describe why these needs must be addressed now.** Has an unforeseen action occurred that threatens the health or safety of the community? Has an opportunity arisen which the community can use to its advantage? Have potential beneficiaries been mobilized or otherwise communicated their intentions to address community needs? Has the community developed a strategic or action plan that includes project priorities and is the community ready to address the highest priority item?

## **Readiness**

**Describe how ready the community residents and local government are to complete planning and implement a project to meet the perceived needs.** What steps have been taken to get the community and local government ready to proceed? What evidence is there that both the community and local government have the energy and will to make progress on this project? Is the local government supportive of the project? Is there community support and consensus regarding the perceived needs? Have **real** community sparkplugs been identified?

## **Attachments**

### **Maps**

Attach at least one map showing the target area and its relation to local roads and other physical features.

**Documentation of Need and Support**

Attach documentation of project needs.  
Attach letters and other documents  
indicating support for the project by  
stakeholders and other entities.

# PLANNING GRANT PROPOSAL FORMAT

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**Applicants must submit an original and two copies of the Planning Grant Proposal**

## **Cover Sheet**

All proposals must include a complete Cover Sheet. This Cover Sheet includes summary information on the Planning Grant proposal. **THIS SHEET MUST BE SIGNED BY THE LOCALITY'S CHIEF ADMINISTRATIVE OFFICIAL.**

A blank Cover Sheet is included on page 17 and is also available electronically from DHCD or on the DHCD web page at [www.dhcd.virginia.gov](http://www.dhcd.virginia.gov).

## **Applicant**

Provide the name of the locality for which the proposal is being submitted. This locality must be listed in **APPENDIX A**.

## **Chief Elected Official**

Provide the name and title of the Chief Elected Official. This individual is typically the Mayor or Chairman of the Board of Supervisors.

## **Local Government Address / Contact Person**

Provide the complete mailing address of the applicant locality. Identify the contact person for this planning project and provide this person's phone number and electronic mail address.

## **Project Name**

Provide the name of the planning project. The name typically references both the target area and nature of the planning project, such as *Somberville*

*Business District Revitalization Planning Project, Tango Road Housing Improvement Planning Project, or Jones Creek Sewer Planning Project.*

## **Project Cost**

Identify the source and amount of all funding included in the planning project. Add these figures to determine a total project cost. These figures and total must be consistent with the cost information contained elsewhere in the planning proposal.

## **Project Description**

Provide a brief description of your planning project specifying the actions to be completed

## **National Objectives**

Provide a description of which National Objective (LMI benefit, prevention and/or elimination of slums/blight, or urgent community need) is being met by the proposed project activities.

## **Preparer**

Provide the name and phone of the person who actually prepared this application.

## **Certification and Signature**

The Chief Administrative Official, which is typically the City, Town or County Manager or Administrator, must read the certification, the

remainder of the proposal, and sign and date the Cover Sheet. Proposals not signed by the Chief Administrative Official may be disqualified from the proposal evaluation process.

## ***Proposal***

The following should be attached to the cover sheet. These, combined with the localities earlier assessment of perceived needs that was delivered in response to DHCD's letter, will constitute the proposal.

### **Scope of Services and Management Plan**

Attach the proposed scope of services that the locality wishes to complete for this project. Attach the management plan or similar document which lists the actions to be taken in the planning effort, the timing of these actions, the products of these actions, the cost of these products, and the persons responsible for completing the actions that will address the scope of services. The management plan must be reflective of the facilitated planning strategy session.

### **Pay for Performance Budget**

Attach the proposed Pay for Performance budget that the locality wishes to use for this project. This budget should list the milestones of the project with the agreed upon payment for reaching each milestone. This budget must be reflective of the facilitated planning strategy session.

## **Maps**

### ***UPDATED FROM PROSPECTUS RESPONSE***

Applicants must include maps of the proposed target or service area. All maps must be legible and include a scale. Cumulatively these maps must show the boundaries of the locality, show the boundaries of the target or service areas,

identify the location, if possible, of proposed project activities, and include street names and route numbers.

### **Documentation of Need and Support**

Attach documentation of project needs. Attach letters and other documents indicating support for the project by stakeholders and other entities.

### **Documentation of Costs and Other Funding Commitments**

Documentation in support of activity costs or other project funding should be included here.

# 2009 CDBG PLANNING GRANT Proposal Cover Sheet



VIRGINIA DEPARTMENT OF HOUSING  
AND COMMUNITY DEVELOPMENT  
*Partners for Better Communities*

**APPLICANT:**

**CHIEF ELECTED OFFICIAL:**

**LOCAL GOVERNMENT ADDRESS/CONTACT PERSON** *(include e-mail address):*

**PROJECT NAME:**

**PROJECT COST:**

Source

Amount

\$

*Total*

\$

**PROJECT DESCRIPTION:**

**NATIONAL OBJECTIVES:**

**PREPARER:**

**CERTIFICATION AND SIGNATURE:**

*To the best of my knowledge and belief, information in the proposal is true and correct.*

Name \_\_\_\_\_

Title: \_\_\_\_\_

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

**Applicants must submit and original and two copies of the Planning Grant proposal**



# APPENDIX A - VIRGINIA CDBG PROGRAM

## ELIGIBLE LOCALITIES

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### Cities

Bedford  
Buena Vista  
Covington  
Emporia  
Franklin  
Galax  
Lexington  
Martinsville  
Norton  
Poquoson  
Salem  
Staunton  
Waynesboro  
Williamsburg

### Counties

Accomack  
Albemarle  
Alleghany  
Amelia  
Amherst  
Appomattox  
Augusta  
Bath  
Bedford  
Bland  
Botetourt  
Brunswick  
Buchanan  
Buckingham  
Campbell  
Caroline  
Carroll  
Charles City  
Charlotte  
Clarke  
Craig  
Culpeper  
Cumberland  
Dickenson  
Dinwiddie  
Essex  
Fauquier  
Floyd  
Fluvanna  
Franklin  
Frederick  
Giles  
Gloucester  
Goochland  
Grayson  
Greene  
Greensville

Halifax  
Hanover  
Henry  
Highland  
Isle of Wight  
James City  
County  
King and Queen  
King George  
King William  
Lancaster  
Lee  
Louisa  
Lunenburg  
Madison  
Mathews  
Mecklenburg  
Middlesex  
Montgomery  
Nelson  
New Kent  
Northampton  
Northumberland  
Nottoway  
Orange  
Page  
Patrick  
Pittsylvania  
Powhatan  
Prince Edward  
Prince George  
Pulaski  
Rappahannock  
Richmond  
Roanoke  
Rockbridge  
Rockingham

Russell  
Scott  
Shenandoah  
Smyth  
Southampton  
Spotsylvania  
Stafford  
Surry  
Sussex  
Tazewell  
Warren  
Washington  
Westmoreland  
Wise  
Wythe  
York

# Towns

|                       |               |                |               |
|-----------------------|---------------|----------------|---------------|
| Abingdon              | Culpeper      | Leesburg       | Smithfield    |
| Accomack              | Damascus      | Louisa         | South Boston  |
| Alberta               | Dayton        | Lovettsville   | South Hill    |
| Altavista             | Dendron       | Luray          | St. Charles   |
| Amherst               | Dillwyn       | Madison        | St. Paul      |
| Appalachia            | Drakes Branch | Marion         | Stanardsville |
| Appomattox            | Dublin        | McKenney       | Stanley       |
| Ashland               | Duffield      | Melfa          | Stephens City |
| Belle Haven           | Dungannon     | Middleburg     | Stony Creek   |
| Berryville            | Eastville     | Middletown     | Strasburg     |
| Big Stone Gap         | Edinburg      | Mineral        | Stuart        |
| Blackstone            | Elkton        | Monterey       | Surry         |
| Bloxom                | Exmore        | Montross       | Tangier       |
| Bluefield             | Farmville     | Mount Jackson  | Tappahannock  |
| Boones Mill           | Fincastle     | Mount Crawford | Tazewell      |
| Bowling Green         | Floyd         | Narrows        | The Plains    |
| Boyce                 | Fries         | Nassawaddox    | Timberville   |
| Boydton               | Front Royal   | New Castle     | Toms Brook    |
| Boykins               | Gate City     | New Market     | Troutdale     |
| Branchville           | Glade Spring  | Newsoms        | Troutville    |
| Bridgewater           | Glasgow       | Nickelsville   | Urbanna       |
| Broadway              | Glen Lyn      | Onancock       | Victoria      |
| Brodnax               | Gordonsville  | Onley          | Vinton        |
| Brookneal             | Goshen        | Orange         | Virgilina     |
| Buchanan              | Gretna        | Painter        | Wachapreague  |
| Burkeville            | Grottoes      | Pamplin City   | Wakefield     |
| Cape Charles          | Grundy        | Parksley       | Warrenton     |
| Capron                | Halifax       | Pearisburg     | Warsaw        |
| Cedar Bluff           | Hallwood      | Pembroke       | Washington    |
| Charlotte Court House | Hamilton      | Pennington Gap | Waverly       |
| Chase City            | Haysi         | Phenix         | Weber City    |
| Chatham               | Hillsboro     | Pocahontas     | West Point    |
| Cheriton              | Hillsville    | Port Royal     | White Stone   |
| Chilhowie             | Honaker       | Pound          | Windsor       |
| Chincoteague          | Hurt          | Pulaski        | Wise          |
| Claremont             | Independence  | Purcellville   | Woodstock     |
| Clarksville           | Iron Gate     | Remington      | Wytheville    |
| Cleveland             | Irvington     | Rich Creek     |               |
| Clifton Forge         | Ivor          | Richlands      |               |
| Clinchco              | Jarratt       | Ridgeway       |               |
| Clinchport            | Jonesville    | Rocky Mount    |               |
| Clintwood             | Keller        | Round Hill     |               |
| Coeburn               | Kenbridge     | Rural Retreat  |               |
| Colonial Beach        | Keysville     | Saltville      |               |
| Columbia              | Kilmarnock    | Saxis          |               |
| Courtland             | La Crosse     | Scottsburg     |               |
| Craigsville           | Lawrenceville | Scottsville    |               |
| Crewe                 | Lebanon       | Shenandoah     |               |



# APPENDIX B – CDBG CITIZEN PARTICIPATION

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**NOTE: THESE CITIZEN PARTICIPATION REQUIREMENTS DO NOT DIRECTLY APPLY TO APPLICATIONS FOR PLANNING GRANTS; HOWEVER, MEETING THE CITIZEN PARTICIPATION REQUIREMENTS FOR A CONSTRUCTION PROPOSAL IS TYPICALLY REQUIRED FOR ALL PROJECT PLANNING GRANTS.**

## For All Potential Local Government Applicants:

It is important that community development projects carried out wholly or in part with Virginia Community Development Block Grant (CDBG) funds involve extensive citizen participation during the proposal development process. Local citizen participation should be encouraged throughout the process of developing a Community Improvement Grant (CIG) proposal. In particular, participation by low- and moderate-income (LMI) residents of the project service area or a slum and blight area should be encouraged. Participation is encouraged prior to submitting a Planning Grant proposal, but there are no firm requirements.

**The following steps, however, are required for each local government wishing to submit a Community Improvement Grant proposals, including both competitive round projects and projects being submitted under the open submission funds.**

## ***PUBLIC HEARING REQUIREMENT***

At a minimum, at least **two public hearings** must be held during the CIG proposal development period.

- The two hearings must, at a minimum, be held **one week apart**.
- Advertisements for the two public hearing must be published separately. Applicants may not only publish one advertisement that includes information on both public hearings.
- Both public hearings must be held **within twelve months** of the application deadline (defined by DHCD in 2009 as after March 26, 2008). In the case of the same proposal being resubmitted from the prior competitive year, DHCD may waive the public hearing requirement on community development needs (first public hearing).
- Files must be maintained containing documentary evidence that the hearings were held, to include at a minimum a list of attendees, minutes of the hearings, and notices (2 types) of the public hearings.
- For **regional proposals**, each participating locality must hold two public hearings as described above.
- Applicants must provide timely written answers to written comments and grievances, within 15 working days where practicable.

Each hearing must be held after adequate notice as described below:

## ***NOTICE OF PUBLIC HEARINGS***

- **Advertisement must be made in a non-legal, locally-circulated newspaper with the largest general circulation at least seven days prior to each hearing.** The public hearing notices must provide the address, phone number, TDD, and times for submitting comments and grievances to the applicant locality. If publishing in a weekly paper, be sure the ads are published in such a manner as to comply with the requirements outlined here.
- **At least one other type of announcement must be done for each public hearing** (examples below), at times and locations convenient to potential or actual beneficiaries, and with accommodation for the handicapped.
  - Advertisement through locally-received radio and/or television stations;
  - Distribution of flyers in LMI areas and in the proposed service area(s);
  - Announcements at local community organization meetings; or,
  - Announcements through local churches and community centers located in LMI and proposed project areas.

### **First Public Hearing**

The first hearing must be held early in the CIG proposal development process to identify the applicant's community development and housing needs, the range of eligible project types funded through the CDBG program and the amount of money available to the applicant, as well as the applicant's past performance (if applicable) in the CDBG program during the previous five years. At a minimum citizens should be furnished with information concerning the

amount of funds available (including program income) for proposed activities and the range of activities that may be undertaken, including the estimated amount to be used for activities that will benefit low- and moderate-income persons, the proposed CDBG activities likely to result in displacement, and plans for minimizing displacement of persons as a result of the CDBG project, and plans to assist persons actually displaced by the project.

Between the two hearings applicants must make available to the public a fact sheet or proposal summary that identifies the proposed activities and objectives for the project and identifies who will be affected by these activities. Citizens must have an opportunity to comment on this document.

### **Second Public Hearing**

A second hearing must be held for public review of and comment on the final draft of the CIG proposal. The final draft must be available at the second public hearing, if not before.

## ***ADDITIONAL CITIZEN PARTICIPATION REQUIREMENTS***

1. Local citizens should be provided with reasonable and timely access to local meetings, information, and records relating to the applicant locality's proposed and actual use of CDBG funds. Meetings should be conducted according to the standards established for the public hearings cited below (#4). CDBG-related information and records must be made available to interested citizens with the availability of such items announced at least in the same manner as the public hearing advertisements.

2. Technical assistance must be provided to groups representative of persons of low- and moderate-income that request such assistance in developing proposals for use of CDBG funds. The level and type of assistance is determined by the applicant locality but must include at least consultation and written communication between a local contact person responsible for the CDBG proposal's development and interested groups. The name, address, and telephone number of the contact person(s) must be made available upon request and announced at all public meetings held on the CDBG proposal.
3. Where 5 percent or more of public hearing participants can be reasonably expected to be non-English speaking residents, applicants must take measures to accommodate their needs. Census data on the proposed project area and on the locality as a whole should be consulted to determine if this provision applies in a particular instance. Meeting this provision requires, at a minimum, having printed material available in the non-English language(s) and retaining the services of an interpreter(s) for all CDBG-related meetings and public hearings.
4. An applicant with a current CIG project to which activities are to be added, deleted, or substantially changed (that is, substantial changes made in terms of

purpose, scope, location, or beneficiaries) must provide local citizens through a public hearing with an opportunity for comment on such changes, after the locality has informed citizens of the changes at least seven days prior to the hearing.

Applicants must keep documentation of how they met the above requirement in their CDBG files for verification. This documentation should include:

- Documentation of the Public Hearing advertisements,
- Documentation of the second method used to notify citizens of the public hearings,
- List of attendees,
- Minutes from the first hearing showing:
  - Available funds,
  - Available activities,
  - Past use of CDBG funds,
- Minutes from the second hearing showing:
  - Description of proposed activities,
  - Plans to minimize displacement and assist displaced persons (if applicable), and
- Any requested special accommodations.

None of the foregoing may be construed to restrict the responsibility or authority of the local government applicant in the development and execution of its Community Improvement Grant project.

## Public Hearing Advertisements

These advertisements should be made in accordance with the Plan above.

### **Model Advertisement – First Public Hearing**

(Locality) will hold a public hearing on (date) at (time) at (location) to solicit public input on local community development and housing needs in relation to Community Development Block Grant (CDBG) funding for a project in our community.

Information on the amount of funding available, the requirements on benefit to low- and moderate-income persons, eligible activities, and plans to minimize displacement and provide displacement assistance as necessary will be available. Citizens will also be given the opportunity to comment on (locality's) past use of CDBG funds. All interested citizens are urged to attend. For additional information, contact (local contact name and information).

Comments and grievances can be submitted in writing to (locality) at (address) or by phone at (phone number and TDD) until (cut-off date).

If you plan to attend and have any special needs requirements, please call the number listed above.

### **Model Advertisement – Second Public Hearing**

(Locality) will hold a public hearing on (date) at (time) at (location) to solicit public input on the proposed Community Development Block Grant (CDBG) proposal to be submitted to the Virginia Department of Housing and Community Development for (project name). Residents of the project area are encouraged to attend. The (project name) proposal will include the following activities (list activities).

The draft CDBG proposal will be presented for comment along with information on projected beneficiaries, including the number of low- and moderate-income residents to benefit from the proposed project, and plans to minimize displacement. Citizens will also be given the opportunity to comment on (locality's) past use of CDBG funds. A fact sheet on the proposed project and the draft proposal is available at (location). For additional information, contact (local contact name and information).

Comments and grievances can be submitted in writing to (locality) at (address) or by phone at (phone number and TDD) until (cut-off date).

If you plan to attend and have any special needs requirements, please call the number listed above.

## APPENDIX C –CDBG PROJECT FUNDING OPTIONS

| Community Improvement Grants  |  |  |   |  |
|---|--|--|---|--|
| Construction-Ready Water & Sewer  | Community Economic Development   | Community Development Innovation   | Urgent Need Open Submission   | Competitive Grants   |
| <p>\$1,000,000 reserved</p> <p>Available to provide new water/sewer service</p> <p>Project area must be comprised of at least 60% low- moderate – income households</p> <p>For projects that are ready and just need additional construction funds.</p> <p>Open submission basis, from January 1 - September 30, 2009</p> | <p>\$2,500,000 reserved</p> <p>Job creation by private, for-profit basic industries</p> <p>Assistance may include off-site improvements such as water &amp; sewer lines, roads, and drainage</p> <p>Must secure industry letter of commitment</p> <p>Job creation<br/>Business expansion<br/>New business location</p> <p>Job retention<br/>Only in documented cases</p> <p>Open submission basis, from January 1 - September 30, 2009</p> | <p>\$2,750,000 reserved</p> <p>New, innovative, and/or timely projects. Includes:</p> <p><u>Local Innovation</u> – Small scale, innovative pilot projects, such as IDA programs, projects which support local or regional welfare-to-work initiatives, microenterprise, and entrepreneurship development</p> <p><u>Self-Help Virginia</u> – Support infrastructure projects (water and sewer) where community residents and stakeholders participate in the construction</p> <p><u>Supplemental Housing Rehabilitation Loan Programs</u> – Underwrite mortgage loans for additional home improvements as part of participating organizations' on-going Indoor Plumbing / Rehabilitation and CDBG programs.</p> <p>Open submission basis, from January 1 - September 30, 2009</p> | <p>\$1,000,000 reserved</p> <p>Prompt response to existing serious or immediate threats to local health and safety</p> <p>The conditions must have developed or became urgent within 18 months of the date the proposal is submitted</p> <p>Applicant is unable to finance the project on its own, no other funding is available to address the problem, and the CDBG funding will be directly targeted towards alleviation of the threatening conditions</p> <p>Open submission basis, from January 1 - October 30, 2009</p> | <p>\$11,420,475 (approximately) 5 primary types:</p> <p><u>Comprehensive Community Development</u> – target at least two major activities, such as water, sewer, housing rehabilitation</p> <p><u>Economic Development</u> – create jobs or business opportunities for low- moderate- income persons or create better economic environment</p> <p><u>Housing Rehabilitation</u> – bring homes to HQS or support development for new housing units</p> <p><u>Community Facility</u> – water/wastewater services, drainage improvements</p> <p><u>Community Service Facility</u> – Workforce training, daycare facilities, health clinics</p> <p>2009 proposals due by April 8, 2009</p> |